



# GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

## 2006 REGULAR SESSION

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SENATE BILL NO. 50

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WEDNESDAY, JANUARY 18, 2006

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The following bill was reported to the House from the Senate and ordered to be printed.

RECEIVED AND FILED  
DATE March 17, 2006  
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TREY GRAYSON  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY R. Adler

AN ACT relating to solid waste management.

***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

1 Section 1. KRS 224.43-500 is amended to read as follows:

2 (1) As used in this section:

3 (a) "Environmental remediation fee" means a one dollar and seventy-five cents  
4 (\$1.75) fee paid per ton of waste by generators of waste and collected at  
5 transfer stations and waste disposal facilities that is in addition to all other  
6 applicable fees and taxes assessed prior to January 1, 2003;

7 (b) "Transfer station" means a facility permitted by the cabinet where waste is  
8 transferred from one (1) vehicle to another for transportation to a municipal  
9 solid waste disposal facility; and

10 (c) "Public road" means any city, county, state, federal, or limited access street,  
11 highway, or turnpike, including bridges and bridge approaches.

12 (2) The environmental remediation fee levied under this section is in addition to all  
13 other applicable fees and taxes assessed prior to January 1, 2003. Notwithstanding  
14 any law, franchise, or contract to the contrary, the owner or operator of a transfer  
15 station or municipal solid waste disposal facility, or the person who collects waste  
16 and delivers such waste to a transfer station or municipal solid waste disposal  
17 facility may pass through and obtain from the generator any environmental  
18 remediation fee required under this section.

19 (3) ~~The [Beginning January 1, 2003, an] environmental remediation fee [of one dollar~~  
20 ~~and seventy-five cents (\$1.75) per ton of waste]~~ shall be paid by generators of waste  
21 to be disposed of at a municipal solid waste disposal facility and collected by waste  
22 transfer stations or municipal solid waste disposal facilities in the Commonwealth.  
23 No environmental remediation fee shall be collected at a municipal solid waste  
24 disposal facility on waste for which the fee has been paid at a transfer station to the  
25 disposal facility. The cabinet shall, by administrative regulation, adopt a conversion

1 formula to allow assessment of the fee by transfer stations that do not have scales.  
2 For loads of waste weighing less than one (1) ton, the environmental remediation  
3 fee shall be one dollar and seventy-five cents (\$1.75).

- 4 (4) Not later than thirty (30) days following the last day of each calendar quarter, every  
5 owner or operator of a transfer station or municipal solid waste disposal facility  
6 shall remit to the cabinet the environmental remediation fee collected during the  
7 prior quarter, with a report stating the number of tons of waste for which the  
8 environmental remediation fee was collected.

9 Section 2. KRS 224.43-505 is amended to read as follows:

- 10 (1) A trust fund known as the Kentucky pride fund is hereby established in the State  
11 Treasury to receive money collected from environmental remediation fees  
12 established in KRS 224.43-500. The fund shall be used to accomplish the purposes  
13 established in this section. Any money accruing to the fund in any fiscal year shall  
14 not lapse but shall be carried forward to the next fiscal year. The fund may also  
15 receive state appropriations, gifts, grants, and federal funds. All interest earned on  
16 money in the fund shall be credited to the fund.

- 17 (2) The cabinet shall administer the Kentucky pride fund as provided by this section  
18 and any administrative regulations promulgated pursuant thereto. Money from the  
19 fund received by the cabinet shall be distributed as follows:

- 20 (a) Five million dollars (\$5,000,000) of the money deposited into the fund each  
21 year shall be retained by the cabinet, subject to the following conditions:

- 22 1. The cabinet may use up to two and one-half million dollars (\$2,500,000)  
23 of the money deposited into the fund as necessary for direct costs  
24 associated with site identification, characterization, and corrective action  
25 assessments of solid waste disposal sites and facilities that have ceased  
26 accepting waste before July 1, 1992, including former permitted  
27 municipal solid waste disposal facilities or abandoned solid waste

1 disposal sites or facilities. The cabinet shall prioritize the sites and  
 2 facilities based on risks to human health, safety, and the environment,  
 3 and develop an implementation plan for closure and remediation of  
 4 those sites and facilities.~~[ The cabinet shall present the implementation~~  
 5 ~~plan to the Interim Joint Committee on Appropriations and Revenue no~~  
 6 ~~later than July 1, 2003.]~~ Funds may be utilized to begin design and  
 7 implementation of proper closure and corrective action for those sites  
 8 and facilities with unabated pending violations.

- 9 2. The cabinet shall suspend until July 2006 enforcement activity regarding  
 10 landfill closure and remediation obligations against formerly permitted  
 11 municipal solid waste disposal facilities owned by a city or county that  
 12 ceased accepting waste prior to July 1, 1992, except as necessary to  
 13 abate an environmental emergency.

- 14 3.~~[ The cabinet shall develop for presentation to the Interim Joint~~  
 15 ~~Committee on Appropriations and Revenue no later than December 31,~~  
 16 ~~2003, a plan for state assumption of responsibility for closure and~~  
 17 ~~remedial obligations of formerly permitted city and county municipal~~  
 18 ~~solid waste landfills that ceased accepting waste prior to July 1, 1992,~~  
 19 ~~including recommendations on funding such obligations.~~

- 20 4. ~~The cabinet shall develop for presentation to the Interim Joint~~  
 21 ~~Committee on Appropriations and Revenue no later than December 31,~~  
 22 ~~2004, a plan for closure and remediation of all identified abandoned~~  
 23 ~~solid waste sites and facilities, including recommendations on funding~~  
 24 ~~such obligations.~~

- 25 5.~~] Two and one-half million dollars (\$2,500,000) per year shall be used to~~  
 26 ~~pay debt service on bonds[ to be] sold by the Kentucky Infrastructure~~  
 27 ~~Authority in the amount of at least twenty-five million dollars~~

1 (\$25,000,000), the proceeds from which were deposited into the  
 2 Kentucky pride fund~~[with all proceeds from the issuance and sale of~~  
 3 ~~these bonds to be deposited in the Kentucky pride fund]~~ established in  
 4 this section and utilized for undertaking closure and corrective action at  
 5 formerly permitted solid waste disposal facilities or abandoned solid  
 6 waste sites or facilities that ceased accepting waste prior to July 1, 1992,  
 7 which pose the most significant environmental or human health risk.  
 8 Moneys not appropriated for the identification and characterization of  
 9 orphaned or abandoned landfills, or debt service, may be used for the  
 10 elimination of illegal open dumps, direct costs associated with the  
 11 closure of orphaned landfills, recycling grants, household hazardous  
 12 waste grants, or additional debt service.

13 (b) The interest on all moneys deposited into the fund, including unused debt  
 14 services, shall be distributed annually in an amount not to exceed one million  
 15 dollars (\$1,000,000) to the Kentucky Environmental Education Council for  
 16 implementation of the environmental education center component of the  
 17 Environmental Education Master Plan.~~[;]~~

18 (c) The remaining balance of the funds from the environmental remediation fee  
 19 established in KRS 224.43-500, plus any unspent interest revenues, shall be  
 20 utilized by the cabinet for grants to counties for the elimination of illegal  
 21 open dumps and to establish a recycling and household hazardous waste  
 22 grants program. Any county, waste management district, city, urban-county  
 23 government, or other political subdivision of the state shall be eligible to  
 24 apply for recycling and household hazardous waste grants under this  
 25 program.~~[in the counties of the Commonwealth, subject to the following~~  
 26 ~~provisions:~~

27 1. ~~The cabinet shall prioritize expenditures from this fund among those~~

1           ~~counties with approved solid waste management plans in order to~~  
2           ~~address those illegal open dumps posing the most significant public~~  
3           ~~health and environmental risks;~~

4           ~~2. During the first funding year, the cabinet shall use the balance of funds~~  
5           ~~from the environmental remediation fee to reimburse counties~~  
6           ~~semiannually for seventy five percent (75%) of the costs relating to the~~  
7           ~~cleanup of illegal open dumps it has identified as presenting the most~~  
8           ~~significant public health and environmental risks;~~

9           ~~3. After the first funding year, the cabinet shall reimburse counties~~  
10           ~~semiannually for seventy five percent (75%) of the direct expense of~~  
11           ~~eliminating illegal open dumps providing they:~~

12           ~~a. Establish an effective universal municipal solid waste collection~~  
13           ~~service that is available to all county residences and businesses;~~

14           ~~b. Employ a solid waste coordinator with enforcement powers;~~

15           ~~c. Remain in compliance with an approved solid waste management~~  
16           ~~plan under this chapter;~~

17           ~~d. Enter into agreement with the cabinet to eliminate all identified~~  
18           ~~illegal open dumps containing solid waste;~~

19           ~~e. Agree to use all legal methods at their disposal to collect~~  
20           ~~delinquent solid waste collection fees; and~~

21           ~~f. Establish a committee to be designated as the clean county~~  
22           ~~committee, composed of representatives from business, schools,~~  
23           ~~agriculture, homemakers, and other concerned citizens, to increase~~  
24           ~~awareness and develop education and enforcement strategies to~~  
25           ~~keep the county free of litter and illegal open dumps.~~

26           ~~4. Counties that meet the requirements set out above in subparagraph 3. of~~  
27           ~~this paragraph shall be provided the following incentives and rewards by~~

1 the cabinet:

2 a. ~~Extra points when applying for Land and Water Conservation~~  
 3 ~~Fund grants, National Recreation Trails Funds grants, and funding~~  
 4 ~~from the state funded Community Rivers and Streams Program;~~  
 5 ~~and~~

6 b. ~~Priority consideration for funds from the Division of Conservation~~  
 7 ~~State Cost Share Program for dumps on farmland and the Waste~~  
 8 ~~Tire Trust Fund for tire dumps; and~~

9 5. ~~The cabinet may waive the matching requirement of subsection (3) of~~  
 10 ~~this section for illegal dump cleanup within a county during any year in~~  
 11 ~~which the county demonstrates that it has enacted and enforced an~~  
 12 ~~ordinance mandating collection by all households and businesses in a~~  
 13 ~~universal collection program.]~~

14 (d) Two and one-half million dollars (\$2,500,000) shall be transferred in each of  
 15 the fiscal years 2002-03 and 2003-04 and annually thereafter from the road  
 16 fund established in KRS 48.010(13)(g) and two and one-half million dollars  
 17 (\$2,500,000) shall be transferred in each of the fiscal years 2002-03 and 2003-  
 18 04 and annually thereafter from the highway construction contingency fund to  
 19 the Kentucky pride fund established in this section, to be reserved and  
 20 distributed annually~~[semiannually]~~ for anti-litter control programs with  
 21 distributions to be made as follows:

22 1. Thirty-three and one-third percent (33-1/3%) of the money shall be  
 23 distributed annually~~[semiannually]~~ based on each county's miles of  
 24 public roads as a percentage of the total miles of public roads in the  
 25 Commonwealth at the time of distribution;

26 2. Thirty-three and one-third percent (33-1/3%) of the money shall be  
 27 distributed annually~~[semiannually]~~ based on the county's rural

1 population as a percentage of the total rural population of the  
 2 Commonwealth at the time of distribution. "Rural population" means  
 3 the population residing outside a city, town, or urban area with a  
 4 population of two thousand five hundred (2,500) persons or more;

5 3. Thirty-three and one-third percent (33-1/3%) of the money shall be  
 6 distributed annually~~[semiannually]~~ based on the county's population as  
 7 a percentage of the total population of the Commonwealth at the time of  
 8 distribution;

9 4. Of the moneys apportioned to counties on the basis of miles of public  
 10 roads and population as provided for in subparagraphs 1. and 3. of this  
 11 paragraph, the cabinet shall provide to the participating incorporated  
 12 cities within the jurisdiction of each respective county which, by  
 13 ordinance or other means, provides municipal solid waste collection  
 14 service, an amount of funds equal to the ratio of that city's total miles of  
 15 public roads in the county and the ratio of that city's population to the  
 16 population of the county, to be used for the purpose of litter cleanup on  
 17 public roads within city boundaries;~~[and]~~

18 5. Moneys received by counties and cities pursuant to this paragraph shall  
 19 be applied for by November 1 of the year preceding the grant  
 20 distribution and~~[this subsection]~~ shall be used to meet obligations with  
 21 respect to the litter cleanup of public roads required by the provisions of  
 22 KRS 224.43-345; and~~[.]~~

23 6. Litter abatement funding rejected or otherwise returned from the  
 24 grant recipients shall be applied to the following year's allotment for  
 25 litter abatement grants.

26 (3) Any county may apply for a grant for the elimination of illegal open dumps  
 27 subject to the following provisions:



1       (a) The cabinet first shall prioritize expenditures from this fund among those  
 2       counties with approved solid waste management plans in order to address  
 3       those illegal open dumps posing the most significant public health and  
 4       environmental risks;

5       (b) The cabinet shall provide grants to counties for eliminating illegal open  
 6       dumps. To be eligible for grant funding, the applicant shall:

7       1. Establish an effective universal municipal solid waste collection  
 8       service that is available to all county residences and businesses;

9       2. Employ a solid waste coordinator with enforcement powers;

10      3. Remain in compliance with an approved solid waste management plan  
 11      under this chapter;

12      4. Enter into agreement with the cabinet to provide a twenty-five percent  
 13      (25%) match which may be in kind to the grant amount and comply  
 14      with the grant criteria, except that the grant match may be waived for  
 15      illegal dump cleanups projected to cost more than fifty thousand  
 16      dollars (\$50,000);

17      5. Agree to use all legal methods at their disposal to collect delinquent  
 18      solid waste collection fees; and

19      6. Establish a committee to be designated as the clean county committee,  
 20      composed of representatives from business, schools, agriculture,  
 21      homemakers, and other concerned citizens, to increase awareness and  
 22      develop education and enforcement strategies to keep the county free  
 23      of litter and illegal open dumps.

24      (4) The cabinet shall impose the following requirements for recycling and household  
 25      hazardous waste management grants to counties, waste management districts,  
 26      cities, urban-county governments, or other political subdivisions of the state:

27      (a) Each grantee shall provide a twenty-five percent (25%) match to the grant

amount which may be in kind and shall comply with the grant criteria;

(b) Each grantee shall demonstrate that the proposed project will remain financially viable after grant funds have been expended;

(c) The grantee shall demonstrate that the service added by the project is needed and would otherwise be unavailable within the proposed service area; and

(d) Projects that create opportunities for regional recycling or regional household hazardous waste management shall be given priority.

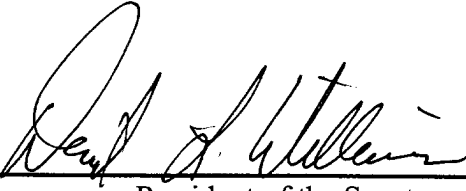
(5) Counties that meet the requirements set out above in subsection (3) of this section shall be provided the following incentives and rewards by the cabinet:

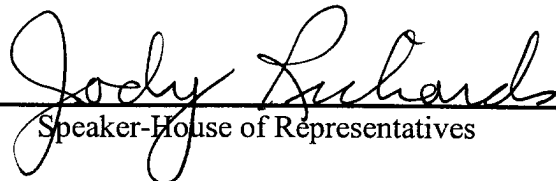
(a) Extra points when applying for Land and Water Conservation Fund grants, National Recreation Trails Funds grants, and funding from the state-funded Community Rivers and Streams Program; and

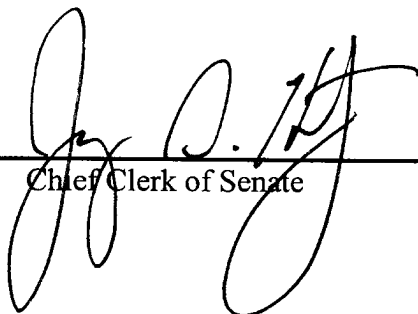
(b) Priority consideration for funds from the Division of Conservation State Cost Share Program for dumps on farmland and the Waste Tire Trust Fund for tire dumps.

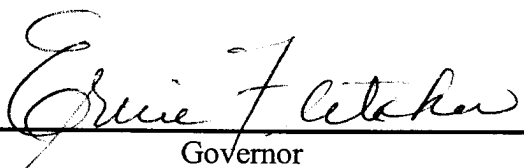
~~[(3) Prior to providing the financial assistance provided under paragraphs (c) and (d) of subsection (2) of this section, the cabinet shall require a county to provide a match of twenty five percent (25%) of the total amount of the financial assistance to be provided by the cabinet. The match provided by the county may be in kind.]~~

~~(6) [(4)]~~ The cabinet shall be reimbursed for reasonable costs related to the implementation of the provisions of this section, not to exceed seven hundred fifty thousand dollars (\$750,000) annually.~~[ The cabinet shall report to the General Assembly at its regular session in 2003 regarding costs and expenditures relating to the provisions of this section.]~~

  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker-House of Representatives

Attest:   
\_\_\_\_\_  
Chief Clerk of Senate

Approved   
\_\_\_\_\_  
Governor

Date 3.16.06